

TRUST LAND MANAGEMENT DIVISION WORK OBJECTIVES FY 2014

GOAL: BE THE EMPLOYER OF CHOICE BY CREATING AND SUSTAINING AN ORGANIZATIONAL CLIMATE THAT ATTRACTS QUALITY APPLICANTS, WHILE DEVELOPING AND RETAINING OUR EXISTING WORK FORCE.

The people of the Montana DNRC are its most valuable resource. We will complete the following key objectives in SFY14:

- ◆ Update Pay Plan Rules to reflect all broadband Pay Plan components.
- ◆ Career development and Succession- Leadership DNRC program, implement second year of sessions.
- ◆ Continual HR policy review, updating, and development.
- ◆ Conduct on-going performance management with all division employees, with a goal of 95% of employees having timely and accurate appraisals.
- ◆ Implement new electronic performance appraisal system.
- ◆ Identify annual award winners by September 1, 2014.
- ◆ Identify, develop, retain and recruit highly-qualified employees to accomplish division mission. Establish goal of filling mid- and upper-level job vacancies with internal candidates at least 50% of the time.
- ◆ Complete annual succession planning analyses by December 2014.

GOAL: ENHANCE ORGANIZATIONAL EFFECTIVENESS AND ACCOUNTABILITY THROUGH APPROPRIATE DEVELOPMENT AND IMPLEMENTATION OF ACCOUNTING, INTERNAL CONTROL, AND INFORMATION TECHNOLOGY PROCEDURES.

The Trust Land Management Division seeks to improve organizational effectiveness and accountability by completing the following in SFY14:

- ◆ Develop annual work plans and revenue projections by May 15 to ensure indirect costs by trust are hard-wired into SABHRS prior to the start of the FY.
- ◆ Develop quarterly revenue projections by trust beneficiary (September, December (2013), and March, June (2014).
- ◆ At mid-year, update trust revenue forecasts and assess costs by trust to ensure sufficient funding is available to cover each trust's costs and to meet beneficiary expectations. Adjust work plans as necessary to achieve objectives.
- ◆ Develop strategic revenue based goals and objectives for FY 2015 and beyond.

GOAL: EXERT LEADERSHIP IN THE STEWARDSHIP OF MONTANA’S NATURAL RESOURCES.

We seek to set the best example of responsible stewardship of Montana’s natural resources. Key projects in SFY14— by program area — include:

FOREST MANAGEMENT

- ◆ Complete annual monitoring projects in accordance with Forest Management Rules and the HCP. Utilize monitoring results to demonstrate effectiveness of the forest management program in meeting resource protection objectives and to design future timber sale projects.
- ◆ Sell approximately 59.8 mmbf of timber and conduct weekly timber sale inspections on 50-55 active sales across approximately 17,000 acres. Take corrective action to address deficiencies.
- ◆ Improve the quality and availability of data and applications used to make land management decisions. Increased efficiencies will facilitate organizing and streamline work flows, database management and project management.

AG & GRAZING

- ◆ Conduct approximately 864 agricultural and grazing renewal evaluations covering roughly 1,273 tracts and 430,000 acres by October, 2014. Take corrective actions on leases with identified management issues or low agricultural returns. Recommend non-renewal for any lease that does not meet the renewal standards required by rule and statute.
- ◆ Provide for competitive bidding on all renewal leases and once completed, issue new leases.
- ◆ Bill and receipt grazing/agricultural rentals for all leases. Process assignments, pasturing agreements and subleases as received in a timely manner.
- ◆ Identify and implement weed control projects considering Area Weed Management Plan priorities.
- ◆ Manage recreational use on trust lands by providing information to the public and, where appropriate, posting tracts with signage to regulate road use and to identify restrictions & closures. Issue special recreational use licenses. Coordinate enforcement efforts with Montana Department of Fish, Wildlife and Parks and the Recreational Use Coordinator.
- ◆ Identify and inventory dams on state land that are potentially high hazard. In conjunction with surface lessees or the dam owner and the Bureau Engineer, develop emergency action plans and maintenance plans for high hazard dams.

REAL ESTATE MANAGEMENT

- ◆ Conduct 129 cabin/home site lease inspections by July 2014. Take corrective actions on leases with identified management issues.
- ◆ Acquire access to approximately 7,000 acres of state land through reciprocal access agreements. Sell approximately 8,000 acres of land via land banking and identify and process a land banking land acquisition.
- ◆ Create and publish a Request for Proposal (RFP) and select the successful proposal, for a land lease and redevelopment of the acquired Corrections property in Helena.

- ◆ Adopt Administrative Rules to implement the SB 369 Cabin Site sales program, and begin processing a limited number of sales in a pilot sale program.
- ◆ Proactively implement solutions to recommendations from Legislative Audit on the trust lands commercial leasing program.

MINERALS MANAGEMENT

- ◆ Conduct leasing, permitting and management of approximately 6,700 oil and gas, metalliferous, non-metalliferous, coal, sand and gravel agreements on 2.7 million acres of school trust lands and approximately 6,000 acres of other state-owned land throughout Montana.
- ◆ Revise coal rules consistent with HB 533 and Otter Creek decision.
- ◆ Finalize and distribute updated BMP/Lease inspection manual.
- ◆ Develop a risk-based well inspection model. Field test inspection schedules during FY 14 field season. Based on test results, develop a database module, preferably integrated within TLMS, for tracking and utilization of information.
- ◆ Represent DNRC as co-lead in the preparation of an environmental impact statement for the Otter Creek mine plan proposal and an environmental assessment for the Signal Peak mine plan expansion proposal.
- ◆ Provide information and analysis as appropriate to the Sage Grouse Habitat Conservation Advisory Council.
- ◆ Prepare island/riverbed analyses and supporting information to trust land legal counsel for riverbed quiet title actions.

SPECIAL PROJECTS

- ◆ Participate on the IT Executive Technology Strategy Committee to identify IT opportunities and apply priority to various IT needs.
- ◆ Identify TLMD database needs and begin to coordinate the development of a strategy for the short and long term that seeks to improve the quality and availability of data to field personnel.
- ◆ Develop outreach materials for programs and services, including the web interface to educate and inform stakeholders.

GOAL: ESTABLISH EFFECTIVE COMMUNICATIONS PROTOCOLS TO ENHANCE INTERNAL AND EXTERNAL RELATIONSHIPS.

The DNRC strives to be a transparent organization which engages stakeholders , partners and the public. To this end, we have identified the following key areas to focus our efforts in the coming fiscal year:

- ◆ Through the Montana Environmental Policy Act, scope interested stakeholders on state land and minerals management projects. Utilize public input to identify issues and develop alternatives.
- ◆ Conduct annual meetings with Fish, Wildlife & Parks recreational wardens in Regions 1 and 3 to develop work plans, review recreational use rules/statutes, and coordinate outreach and

enforcement actions.

- ◆ Expand outreach with the Montana University System (MUS) beneficiaries. Work with staff to develop an Asset Management Plan.
- ◆ Participate in the implementation of the DNRC public information policy, including development and dissemination of public information and media products at least quarterly.
- ◆ Engage advisory groups to seek ways to improve programs for individuals, communities, stakeholders and partners statewide.

GOAL: MANAGE MINERAL AND SURFACE RESOURCES TO PROVIDE APPROXIMATELY \$94 MILLION IN GROSS TRUST REVENUE CONSISTENT WITH FIDUCIARY DUTY AND LEGAL COMMITMENTS.

The following revenue goals have been established for SFY14 by program:

- ◆ Generate \$25million in gross non-distributable royalties and \$8 million in gross distributable revenue in Minerals management.
- ◆ Generate \$26 million in gross distributable revenue in Agriculture & Grazing.
- ◆ Generate \$8 million in gross distributable revenue and \$4 million in proceeds from land sales in Real Estate Management.
- ◆ Generate \$8.4 million in gross distributable revenue through Forest Management.
- ◆ Generate \$1 million in gross distributable revenue in Recreation.
- ◆ Distribute \$22 million in interest generated from various permanent funds.